

What has changed?

The electronic reporting requirements for the automobile insurance database have introduced some time constraint problems into the vehicle registration process that affect service to your customers. The problems generally center around a dealer trade-in. Dealers do not report to the department when vehicles are traded-in and ownership transfers to the dealership, which means that the department believes that the automobile is still in the possession of the previous owner.

In the past that was not a problem but because the owner will now logically cancel the insurance on the old car, the department is under the impression that the car is being operated without insurance. Unless the customer transfers the tag from the trade-in to the new car within 30 days or cancels the registration, that customer will probably get a pending suspension letter from the department which then requires the customer to go to the county tag agent with a notarized Form MV-18J to correct the information in the database.

The best service a dealer can provide is to process the title and tag transfer paperwork for the customer. The second best approach is for the dealer to process the title paperwork quickly so that the customer has the most amount of time possible to complete the registration process.

When your customer trades a vehicle to purchase another vehicle and the dealer applies for the transfer of the registration, the dealer should...

- Get a copy of an insurance binder for the newly purchased vehicle or a copy of the declaration page for existing insurance on the trade-in
Or
- Fax form MV-18H (Temporary Verification of Insurance Coverage by Automobile Dealer) to the customer's insurance agent/company if an insurance binder or declaration page is not available.
- Remove the license plate from the trade-in and give it to the customer.
- Tell the customer to keep the insurance binder or declaration page and bill-of-sale in the newly purchased vehicle until the insurance card is received.
- Promptly apply for the title and transfer of registration at the county tag office in the owner's county of residence.
 - Submit application; supporting documents; fees/taxes; insurance binder, declaration page or Form MV-18H.
- Tell the customer to attach the license plate to the newly purchased vehicle when the registration for the newly purchased vehicle is received.

If the dealer does not apply for the transfer of a customer's registration, the dealer should...

- Remove the license plate from the trade-in and give it to the customer.
- Tell the customer to keep the insurance binder or declaration page and bill-of-sale in the vehicle until the insurance card is received.
- Promptly apply for the customer's title at the county tag office in the owner's county of residence.
- Tell the customer to apply for the transfer of the registration once the dealer has applied for the title.

Acceptable proof of insurance for the customer is...

- A BINDER issued by the customer's insurance agent/company that is not more than 30 days old
- A DECLARATION PAGE for insurance on the trade-in and a BILL-OF-SALE for the vehicle purchased from the dealer within the last 30 days
- An ELECTRONIC INDICATOR that the vehicle is insured on the Department of Motor Vehicle Safety's (DMVS) computer
- A FLEET insurance card
- A SELF-INSURED insurance card and CERTIFICATE issued by Georgia's Insurance Commissioner



How Dealers Can Help Customers Avoid Insurance & Registration Problems

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